

ORDINANCE NO. 2022-34

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF TOMBALL SPECIAL ASSESSMENT REVENUE BONDS, (WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1); APPROVING AND AUTHORIZING AN INDENTURE OF TRUST AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE

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WHEREAS, the City of Tomball, Texas (the “City”), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Subchapter A Chapter 372, Texas Local Government Code (the “PID Act”), has previously established the Wood Leaf Reserve Public Improvement District (the “District”), pursuant to a Resolution adopted by the City Council of the City (the “City Council”) on January 18, 2021; and

WHEREAS, pursuant to the PID Act, the City Council published notice and held a public hearing on September 6, 2022, regarding the levy of special assessments on property within Improvement Area #1 of the District, and

WHEREAS, after the conduct of such public hearing and on second reading adopted an Ordinance (the “Assessment Ordinance”) on September 19, 2022; and

WHEREAS, in the Assessment Ordinance, the City Council approved and accepted the Service and Assessment Plan (as defined and described in the Assessment Ordinance, the “Service and Assessment Plan”) relating to the District and levied assessments against the Assessed Property within Improvement Area #1 of the District (the “Assessments”), as set forth on the Assessment Roll. Capitalized terms used in this preamble and not otherwise defined shall have the meaning assigned thereto in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Assessments on Assessed Property in Improvement Area #1 of the District (the “Bonds”) for the purposes of (i) paying the costs of the Improvement Area #1 Projects identified in the Service and Assessment Plan, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) funding a portion of the Delinquency and Prepayment Reserve Account, (v) paying a portion of the costs incidental to the organization of the District, and (vi) paying the costs of issuing the Bonds; and

WHEREAS, the City Council has found and determined to (i) approve the issuance of the Bonds to finance the Improvement Area #1 Projects identified in the Service and Assessment Plan on the terms described herein, (ii) approve the form, terms and provisions of the Indenture (as defined herein); and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, THAT:

Section 1. Findings. The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein.

Section 2. Defined Terms. Capitalized terms not otherwise defined herein shall have the meaning ascribed to in the Indenture.

Section 3. Approval of Issuance of Bonds and Indenture of Trust. The issuance of Bonds for the purpose of providing funds for (i) paying a portion of the Improvement Area #1 Projects, (ii) paying capitalized interest on the Bonds, (iii) funding the Bond Reserve Account of the Reserve Fund, (iv) funding a portion of the Delinquency and Prepayment Reserve Account of the Reserve Fund, (v) paying a portion of the costs incidental to the organization of the District, and (vi) paying the costs of issuance of the Bonds, are hereby authorized and approved.

(a.) The Bonds shall be issued and secured under that certain Indenture of Trust dated September 15, 2022 by and between the City and _____ as trustee (the "Indenture"). Such Indenture is hereby approved in the substantially final form presented at this meeting, with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Mayor of the City, such approval to be evidenced by the execution and delivery of the Indenture. The Mayor of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor.

(b.)

(c.) The Bonds issued pursuant to the Indenture shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured solely by the Assessments levied on the Assessed Property for the Improvement Area #1 Projects, as set forth in the Service and Assessment Plan and other assets of the "Trust Estate" (as defined in the Indentures) pledged to such Bonds, and shall never be payable from ad valorem taxes.

Section 4. Sale of Bonds. The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") at the price and on the terms and provisions set forth in that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the

Underwriter. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved and the Mayor of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable.

Section 5. Limited Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum and any addenda, supplement or amendment thereto, are hereby in all respects approved. The Mayor and City Secretary are hereby authorized and directed to cause to be prepared a final Limited Offering Memorandum (the “Limited Offering Memorandum”) incorporating applicable pricing information pertaining to the Bonds, and to execute the same by manual or facsimile signature and deliver appropriate numbers of executed copies thereof to the Underwriter. The Limited Offering Memorandum as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor and the Underwriter, may be used by the Underwriter in the public offering and sale thereof. The City Secretary is hereby authorized and directed to include and maintain a copy of the Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum, and the preliminary public offering of the Bonds by the Underwriter, is hereby ratified, approved and confirmed.

Section 6. Continuing Disclosure Agreement. The form, terms and provisions of that certain Continuing Disclosure Agreement (the “Continuing Disclosure Agreement” dated as of January 1, 2021 among the City, HTS Continuing Disclosure Services, a Division of Hilltop Securities, Inc. and P3Works, LLC is hereby authorized and approved in substantially final form presented at this meeting and the Mayor of the City is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and approved by the Mayor, such approval to be evidenced by the execution thereof, the Mayor’s signature on the Agreement may be attested by the City Secretary.

Section 7. Additional Actions. The Mayor, the City Manager and each other officer, employee and agent of the City are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance, including the making of modifications to this Ordinance and the Indenture as necessary to obtain approval of the Bonds by the Attorney General of the State, the Mayor, the City Manager and each other officer, employee and agent of the City are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance, including any required consents relating to land transfers. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the City is hereby authorized and directed to issue a check of the City

payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount not to exceed \$9,500).

Section 8. Effective Date. This Ordinance shall take effect immediately upon its adoption by the City Council of the City.

FIRST AND ONLY READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF
THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 19TH DAY OF
SEPTEMBER 2022. .

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DUNAGIN	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN PARR	_____

Lori Klein Quinn, Mayor

ATTEST:

Doris Speer, City Secretary